

## Chautauqua County

### Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/22/2017

Using the most recent IMPLAN data available (2015) adjusted for 2017, 16 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Chautauqua County economy.<sup>1</sup>

These 16 sectors have a total direct output of approximately **\$110.1 million** and support **446.6 jobs** in Chautauqua County. Running the model for all 16 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Chautauqua County Economy						
Impact Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>	Output % of Gross Regional Product
Direct Effect	446.6	19.27%	\$19,151,136	17.69%	\$110,120,525	101.72%
Indirect Effect	61.8	2.67%	\$3,637,149	3.36%	\$7,599,458	7.02%
Induced Effect	49.2	2.12%	\$2,777,973	2.57%	\$5,517,996	5.10%
<b>Total Effect</b>	<b>557.5</b>	<b>24.05%</b>	<b>\$25,566,258</b>	<b>23.62%</b>	<b>\$123,237,979</b>	<b>113.83%</b>

As shown in the above table, agriculture, food, and food processing sectors support **557.5 jobs**, or **24.05%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$123.2 million, roughly 113.83% of the economy.**

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 16 agriculture, food, and food processing sectors is approximately **\$25.6 million**, or **23.62% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **23.62% of the total economy.**

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

1 Article on building a contribution analysis in IMPLAN that avoids double counting:

[http://www.implan.com/index.php?option=com\\_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70](http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70)

2 Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

3 Value added = labor income + indirect business taxes + other property type income.

4 GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

5 Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **321.5 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Chautauqua County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	321.5	\$41,794,039
Animal, except poultry, slaughtering	29.9	\$21,729,290
All other crop farming	23.2	\$1,858,294
Other animal food manufacturing	22.4	\$30,699,517
Farm machinery and equipment manufacturing	14.3	\$7,381,250
Extraction of natural gas and crude petroleum	12.9	\$1,520,818
Real estate	12.8	\$1,322,597
Support activities for agriculture and forestry	11.5	\$1,539,808
Landscape and horticultural services	10.6	\$476,099
Wholesale trade	7.7	\$955,335

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **\$41.8 million** to the Chautauqua County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	321.5	\$41,794,039
Other animal food manufacturing	22.4	\$30,699,517
Animal, except poultry, slaughtering	29.9	\$21,729,290
Farm machinery and equipment manufacturing	14.3	\$7,381,250
Grain farming	4.9	\$1,890,152
All other crop farming	23.2	\$1,858,294
Oilseed farming	1.4	\$1,688,782
Support activities for agriculture and forestry	11.5	\$1,539,808
Extraction of natural gas and crude petroleum	12.9	\$1,520,818
Owner-occupied dwellings	0.0	\$1,407,132

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Chautauqua County economy.

<b>All Agriculture, Food, and Food Processing Sectors</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Oilseed farming	1.4	\$1,688,781.86
Grain farming	4.9	\$1,890,151.50
Fruit farming	0.5	\$38,954.87
Tree nut farming	0.03	\$7,086.94
Greenhouse, nursery, and floriculture production	2.0	\$233,023.52
All other crop farming	23.2	\$1,858,293.77
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	321.5	\$41,794,036.87
Poultry and egg production	0.1	\$54,560.81
Animal production, except cattle and poultry and eggs	6.2	\$816,810.13
Other animal food manufacturing	22.4	\$30,699,516.30
Animal, except poultry, slaughtering	29.9	\$21,729,290.01
Bread and bakery product, except frozen, manufacturing	1.4	\$190,462.57
Sawmills	4.3	\$978,812.75
Farm machinery and equipment manufacturing	14.3	\$7,381,250.38
Veterinary services	3.8	\$283,391.24
Landscape and horticultural services	10.6	\$476,098.98

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Chautauqua County, the retail sector was omitted.